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Canfor Wood Products Marketing Ltd.

a subsidiary of Canadian Forest Products Ltd.

September 3, 2008

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D C 20423-0001

**Re: STB Finance Docket No. 35087, Canadian National Railway Company and
Grand Trunk Corporation – Control – EJ&E West Company**

The CN/EJE transaction has significant regional and national public interest benefits and, Canfor believes, satisfies the standards for authorization under federal law governing the acquisition and control of railroads. However, as outlined in CN's petition filed August 14, 2008, the transaction is at increasing risk because of regulatory delays in completing the environmental review. Those delays could result in termination of the transaction before the STB rules on its merits, as the STB's governing statute called for months ago.

CN's proposal in its petition for a modified procedural schedule provides a sound solution that allows the STB to authorize and CN to close the transaction, while preserving the environmental status quo by providing that CN will not shift trains to the EJE pending the STB's completion of its environmental review and its imposition of environmental mitigation. Therefore, environmental concerns are not a basis to decline CN's request. All parties will maintain their full ability to participate in the STB's environmental review that will continue undisturbed.

Further, as the Board's Section of Environmental Analysis outlined in the draft Environmental Impact Statement issued July 25, 2008, the anticipated environmental impacts of the transaction are not unique and can be reasonably mitigated. CN has already proposed a comprehensive voluntary mitigation plan that the STB will likely impose as a condition to its authorization of the transaction. Moreover, CN continues to work with each of the communities along the EJE arc to arrive at mitigation agreements that address each community's specific concerns. CN has just reached such an agreement with the City of Joliet, which the carrier expects is likely to be the first of many such agreements.

There is no sound reason for the STB to risk the loss of this transaction, and we urge the Board to grant CN's petition.

Sincerely,


A handwritten signature in black ink, appearing to read "Ian McIver".

Ian McIver
General Manager, Global Supply Chain

cc All Parties of Record

CERTIFICATE OF SERVICE

I certify that I have this 3rd day of September, 2008, served the foregoing letter of Ian McIver, General Manager, Global Supply Chain, Canfor Wood Forest Products Marketing, Ltd., upon all known parties of record in this proceeding by causing a copy to be sent to each by first-class mail or a more expeditious method


Jennifer A. Nath